



ARLINGTON FINANCE COMMITTEE  
MINUTES OF MEETING  
TOWN HALL LYON'S ROOM  
7:30 PM 4/13/16

ATTENDEES:

Deyst*	White*	Caccavaro*	Kellar*	McKenna*
DeCoursey*	Wallach*	Harmer*	Gibian	
Tosti*	Foskett	Bayer*	Duvadie*	
Russell*	Beck	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman*	Turkall*

\*Indicates present

VISITORS: Town Manager Adam Chapdelaine, Deputy Town Manager Sandy Pooler, Michael Rudderman

MINUTES of 3/30/16 accepted as printed. Unanimous.

TRANSFER: The School Dept requested that the \$200k set aside in the Reserve Fund be transferred to the Special Education Stabilization Fund, Ref 1. This will be done in 2 steps.

VOTED to transfer \$200,000 to the School Budget. Unanimous

ART 2 STM VOTED to transfer \$200,000 from the School Budget to the Special Education Stabilization Fund. Unanimous Thus the Town Meeting will authorize the transfer of excess School Funds to the SPED Fund to preserve transparency.

TRANSFER: Chapdelaine reviewed (Ref 2) the negotiations for the Thompson School Modular Classrooms that were authorized during the January Town Meeting. The total cost, assuming the modulares will be needed for 2 years, is \$735,393. The same company that is supplying these modulares will supply the Stratton modulares.

VOTED to transfer \$527,238 to the School Budget to cover the installation & first year lease. Unanimous

ADJUSTMENTS TO BUDGETS based on input (Ref 3) from Deputy Town Manager & Comptroller

ASSESSORS: VOTED \$297,894 to confirm the vote taken 3/9/16 but incorrectly recorded in the minutes. Unanimous

ZBA: VOTED \$24,912 to correct an error in the salary as requested by the Comptroller (Ref 3). Unanimous

COMPTROLLER: VOTED \$428,942 to correct a double entry on MUNIS training. Unanimous.

SPECIAL TOWN MEETING

ART 1 FY16 BUDGET AMENDMENT:

VOTED no action since no changes are needed. Unanimous

ART 2 SPED FUND (See above)

ART 3 SCHOOL ENROLLMENT: VOTED to change wording of previous vote from "no report at this time" to "will report at Town Meeting" Unanimous

ART 5 AHS FEASIBILITY STUDY:

VOTED \$2m for the feasibility study required by the MSBA. Unanimous The Chair reported that the Long Range Planning Committee will recommend a debt exclusion vote that will cover all the pending school construction projects.

ART 6 MINUTEMAN SCHOOL BOND: The Chair reported that the group representing all interested parties (FinCom, Town, BoS, CPC, Minuteman, ASD) will meet for the first time 4/20/16. This will be an open meeting with visitors welcome. The Chair suggested that a FinCom discussion before that group meets would be premature. Members stated that they

would like to have a full discussion before being asked to vote. Foskett, who was unable to attend today's meeting, submitted an essay (Ref 4) urging a negative vote.

VOTED to report at Town Meeting. Unanimous

ANNUAL TOWN MEETING:

ART 53 SPED STABILIZATION FUND This matter will be covered in the STM ART 2.  
VOTED no action. Unanimous. The comment will say that if the Schools have additional funds at the end of the year that they would like to transfer, the FinCom will substitute a fund transfer vote.

ART 56 FISCAL STABILITY FUND: This is balance of revenue less appropriations.

VOTED \$2,521,036 Unanimous

HOUSE BUDGET: The Chair reported that the House budget increases Chap 70 by \$180k to Arlington. Will wait to take action until the Senate votes.

ENROLLMENT TASK FORCE to meet 4/28/16

COMMITTEE: The next meeting is 4/25/16 before Town Meeting.

RESERVE FUND Balance \$1,174,445-\$24,600\* -\$200,000-\$527,238=\$422,207

\*This is the transfer to IT voted 3/30/16.

Peter Howard 4/14/16

Ref 1 Transfer Request to SPED Stabilization Fund

Ref 2 Transfer Request for Thompson Modular Classrooms

Ref 3 Memo Viscay to Pooler Budget Adjustments 3/10/16

Ref 4 Statement by Foskett on Minuteman Bond Article

**TOWN OF ARLINGTON**  
**REQUEST FOR TRANSFER FROM THE RESERVE FUND**

Date        4/13/2016

To: The Finance Committee  
Town of Arlington, MA

Request is hereby made for the following transfer:

1. Transfer to:                      Acct #: \_\_\_\_\_  
  Acct Name Special Education Stabilization Account  
  Amount:        \$200,000.00
2. Transfer from:                    Acct Name: Reserve Fund  
  Account #: 0114987-5730  
  Amount:        \$200,000.00  
  Present Balance: \_\_\_\_\_

3. The amount requested will be used for (given specific purpose in detail):

This funds represents Special Education out of district tuition savings from FY15.  
We are requesting that they be moved into the Special Education Stabilization Account  
for future needs.

4. Explain how this expenditure is extraordinary or unforeseen: (attach memo if necessary)

In the 2015 Town Meeting there was not an article in the warrant to allow this transfer  
directly from the School Department appropriation to the Stabilization Account. This  
transfer allows us to correct this omission.

  
\_\_\_\_\_  
Department Head or Committee Member

.....  
**ACTION OF FINANCE COMMITTEE**

Date of Meeting: \_\_\_\_\_ Number present & voting: \_\_\_\_\_

Transfer voted in the sum of: \_\_\_\_\_ Transfer disapproved: \_\_\_\_\_

Transfer disapproved comments: \_\_\_\_\_

\_\_\_\_\_  
Chairman, Finance Committee

Request must be made and transfer voted BEFORE any expenditure in excess of appropriation is incurred.  
Finance Committee reserves the right to request additional supporting data before action.



**Town of Arlington  
Office of the Town Manager**

**Adam W. Chapdelaine**  
Town Manager

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**To:** Finance Committee

**From:** Adam Chapdelaine, Town Manager

**RE:** Reserve Fund Transfer Request – Modular Classrooms At Thompson

**Date:** April 13, 2016

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I am writing today to request a reserve fund transfer request to the School Department operating budget in the amount **\$527,238** to fund costs associated with the installation and first year lease payments for modular classrooms at the Thompson Elementary School. Working in collaboration with the School Department, the Town solicited proposals from the vendor providing modular classrooms to the Town for the Stratton renovation project. After a great deal of negotiation and discussion, we reached the pricing structure represented below. This represents a \$367,696.50 cost per classroom, per year.

<b>Thompson School Modular Classroom Pricing</b>				
<b>Funding/Fiscal Year</b>	<b>FY2016 Reserve Fund</b>	<b>FY2018 Budget</b>	<b>FY2019 Budget</b>	<b>Total</b>
<b>Category</b>				
<b>Construction/Installation</b>	\$394,615			
<b>Construction Contingency</b>	\$27,623			
<b>First Year Lease</b>	\$105,000			
<b>Second Year Lease</b>		\$105,000		
<b>Removal</b>			\$103,155	
<b>Total</b>	<b>\$527,238</b>	<b>\$105,000</b>	<b>\$103,155</b>	<b>\$735,393</b>

I would be happy to discuss this proposal in further detail at this evening's meeting.

**Subject** budget adjustments

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**To:** "Sandy Pooler" <SPooler@town.arlington.ma.us>

**From:** "Richard Viscay" <rviscay@town.arlington.ma.us>

**CC:** "Adam Chapdelaine" <AChapdelaine@town.arlington.ma.us>, "Marie Krepelka" <MKrepelka@town.arlington.ma.us>, "MaryAnn Sullivan" <MSullivan@town.arlington.ma.us>, "Cindy Fields" <CFields@town.arlington.ma.us>, <rviscay@town.arlington.ma.us>

**Date:** 03/10/2016 06:40 PM

Sandy,

I met with Marie and MaryAnn today to discuss some budget adjustments needed for the FY2017 budget and was hoping that we could make these adjustments in time for their budget meeting with the FinCom Monday am. The budget adjustments are as follows:

1. Maher: Her time is split between the Selectmen (0112281) and the ZBA (0117381), 18 hours and 17 hours respectively (.5143 and .4857). Her FY2017 salary is \$42,849 (Grade 3 Step 6 OFFA), so her salary should be as follows in the budget book:
  - a. Selectmen = \$21,241 + 796 (step) = \$22,037 total
  - b. ZBA = \$20,060 + 752 (step) = \$20,812 total
2. Elections: (0116281)
  - a. Salaries (5100): Please reduce from \$90,000 to \$44,430
3. Elections: (0116282)
  - a. Elections officers (5219) Please reduce from \$90,000 to \$56,610
  - b. Otherwise Unclassified (5299) Please reduce from \$1000 to \$0

Sorry for the late changes. Thank you for your help in this matter.

Best regards,

Rich Viscay

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There is no question that our children deserve our support in obtaining the best education that we can reasonably and equitably provide to prepare them for their 21st centuries challenges. This is equally true for our traditional academic track children, our vocational education children and our special education.

While Minuteman has been our source of vocational educational resources for most of our vocational educational students for the past 40 years or more, the district has not been without its problems and controversy. It has suffered from internal administrative problems, falling attendance rates and serious governance issues. While Arlington has long been the largest provider of students, due to the District's governance structure Arlington's influence on the district has been minimal. After a multiyear effort, Arlington Selectmen Dan Dunn was instrumental in leading the district's member towns to adopt a new Regional Agreement that will provide for better governance and for a stronger representative influenced by the Town of Arlington.

After the withdrawal of six towns from the district, there will indeed be better governance, but Arlington's share of the total tuition burden may remain the same or become larger. The District has proposed a capital expenditure of \$144.5 million for new facility for 628 students. Of these about 400 to 450, at best, will likely be from member towns and the balance from out-of-district ("OOD") students.

In the coming fiscal year Arlington's regular assessment yields a cost per student of between \$27,000 and \$31,000 depending upon whether the computation is based on the four-year average of students (135), total students in the current year (120) or current-year high school students (117). If the Minutemen high school capital expansion program is passed, the assessment will increase by approximately \$10,000 a year at a minimum.

There is a risk that the capital assessment and the normal operating assessment will increase dramatically if the capital project goes forward because the higher costs for OOD students will mitigate the number of students attending the district and cause higher per student costs for Arlington. In addition recent changes by DESE regarding recruitment of freshmen students will suppress the number of OOD students school can recruit.

Minuteman has argued that the future cost of not spending the \$144.5 million and receiving a net 30% MSBA aid package will be on the order of \$100 million or more. Tony Lionetta, from the Capital Planning Committee, served on the Minuteman School Building Committee during this period and has argued that rigor has been lacking in the alternative cost analysis and the \$100 million is likely overestimated and is not discounted to compare with present value alternative construction costs for the Minuteman project.

Arlington is facing many operating and capital budgeting challenges. If the

Minuteman Bond Request is vetoed by the Towns, the Minuteman School Committee has voted to bring the question to a district wide referendum. Under the new regional agreement if this issue goes to a referendum and the voters of Arlington reject the project but it nonetheless passes overall, there is a path for Arlington to avoid the excessive capital burden. In the face of increased enrollment pressure at Arlington's elementary, middle and high school levels, and the deteriorating condition of Arlington High School resulting in the requirement for its renovation or replacement, as well as the upcoming need for a significant operating override, the Minuteman Capital Project is an expense that should be seriously questioned.

I intend to vote to veto the Minuteman School Building Project at Town Meeting and recommend that the Arlington Finance Committee consider voting to recommend the same to Town Meeting for the following reasons:

1. Minuteman's operating budget already provides for one of the highest per student operating costs in the state, and the capital project will further reduce the number of OOD students driving the operating assessment up.
2. Recent changes by DESE will reduce the number of OOD students that the district can recruit driving up Arlington's operating and capital assessments.
3. In my opinion the Minuteman School Committee has not given adequate thoughtful analysis to alternative spending plans.
4. The project calls for spending \$34.5 million of Arlington capital funds for approximately 120 students this year or 135 students using the four year average. or about \$280,000 capital per student attendee. This is more than 50% more expensive than a per student AHS program is likely to cost.
5. This level of expenditure does not appear to me to be fair and equitable to the other students in the Arlington school system or to the taxpayers of Arlington. In the likelihood of Minuteman achieving its enrollment objectives appear to only increase the risk to Arlington taxpayers.

I regret that I cannot be at tonight's meeting to share these thoughts with you in person. So I thought I would send this email and I hope that it provides some useful input to the debate. No matter what the final recommendation of the Finance Committee is, I'm sure that the discussion will be thorough and the decision reached by the Finance Committee will be in the best interests of Arlington's students, both Minuteman and others, and Arlington's taxpayers.

Best regards,  
Charlie Foscett